

INFORMATION LETTER

NATIONAL CANNERS ASSOCIATION

No. 1738

Washington, D. C.

July 11, 1959

N.C.A. Home Economists Attend Professional Meetings

Three members of the N.C.A. Consumer Service Division staff attended annual conventions of home economists in Milwaukee, Wis., the latter part of June.

Gloria Hansen, test kitchens home economist, attended the three-day meeting of the annual conference of the Home Economists in Business. She represented the District of Columbia group as incoming chairman and was also a delegate at the national conference.

Nancy Fox, editorial assistant, was a delegate for the Home Economists in Business and in addition to covering the regular meetings participated in the workshop sessions. Both Miss Hansen and Miss Fox spent one day at the annual Home Economics Association convention which followed the Business Group's sessions, and held individual conferences on recipe production, and on articles, with others in attendance.

Attending both meetings was Katherine R. Smith, Director of the Consumer Service Division. She served as a delegate from the District of Columbia for both conventions. Numerous individual conferences were held with magazine and newspaper food editors, television, school and other leaders.

Attendance for the Home Economists in Business Conference was more than 600 and for the American Home Economics Association was approximately 4,500. The meetings were attended by leading magazine and newspaper food editors; home economists working for business firms; radio and television women; teachers, including state and city supervisors, individual schools, colleges and both private and public schools; and government agency home economists including extension and home demonstration leaders.

USDA Plentiful Foods List

The USDA Plentiful Foods List for August features pears and plums. USDA points out that California has the largest Bartlett crop of record. Other items on the USDA list are fresh peaches, lemons, limes, summer vegetables, turkeys, eggs, vegetable fats and oils, and peanut butter.

One-Day Hearing Scheduled by Senate Finance Committee on Bills To Regulate State Taxation of Interstate Income

Senator Harry Byrd (Va.) has announced that the Senate Finance Committee, of which he is chairman, will hold a hearing July 21 on bills to regulate state taxation of income earned by out-of-state corporations. N.C.A. has notified the Committee that it desires to be heard.

Several bills dealing with this subject are pending before the Finance Committee. They are S. 2213 by Senators Prescott Bush (Conn.) and Kenneth B. Keating (N. Y.); S. 2281 by Senators Leverett Saltonstall (Mass.), Hugh Scott (Pa.) and Winston Prouty (Vt.); and S. J. Res. 113 by Senator John Sparkman (Ala.) and 15 other Senators.

The Bush bill would provide that no state or political subdivision shall impose a net income tax on income derived exclusively from interstate commerce solely by reason of the solicitation of orders through an agent or employee if no stock of goods is maintained in the state and there is no plant, office, warehouse, or other place of business within the state.

The Saltonstall bill omits the "stock of goods" phrase and thus would provide a broader exemption from taxation of interstate income.

Chairman Sparkman of the Senate Small Business Committee conducted three one-day hearings in April, May and June to direct attention to the

problem, and N.C.A. filed a letter suggesting further study and action (see INFORMATION LETTER of April 11, page 155).

The current Sparkman proposal is in two parts and was introduced as a recommendation of the Small Business Committee. Title I of the Sparkman resolution would provide that no tax shall be imposed upon the income of any business engaged in interstate commerce unless a stock of goods, an office, warehouse, or other place of business is maintained in the state, or an officer, agent or representative maintains an office in the state. This limitation on the authority of states or political subdivisions to tax income would remain in effect until 1961. In the meantime, Title II proposes the establishment of a study commission to conduct a thorough investigation and to formulate and recommend a proposal for uniform standards for the states to observe in taxing income earned by out-of-state businesses.

Legislation aimed at the problem of state taxation also is pending in the House, where the Judiciary Committee has appointed a special subcommittee to study the subject. The subcommittee is under the chairmanship of Representative Edwin E. Willis (La.) and also includes Representatives Byron G. Rogers (Colo.), Jack Brooks (Texas), William E. Miller (N.Y.), and Richard H. Poff (Va.).

Dry Beans for Sale by CCC

Five classes of dry edible beans are offered for sale by the CCC on its monthly sales list for July. The CCC holdings are offered for unrestricted domestic use at the domestic price but not less than specified minimum prices.

The classes of dry beans and minimum prices per hundredweight are red kidney \$8.78, large limas \$10.30, baby limas \$5.31, small red \$7.26, and pink \$7.20. These prices are for U.S. No. 1 grade, f.o.b. points of production. Beans are available from the Commodity Stabilization Service, 1218 S.W. Washington St., Portland 5, Ore.

FDA Publishes Proposal on Canned Tomato Standard

The FDA has published in the *Federal Register* of July 8 a petition proposing an amendment to the standard of identity for canned tomatoes to permit the use of citric acid as an optional ingredient.

The FDA proposes, if such an amendment is adopted, that an appropriate label statement of optional ingredient be required.

Following is the text of the FDA notice:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 53]

CANNED TOMATOES STANDARD OF IDENTITY

Notice is given that the Canners League of California, 215 Market Street, San Francisco, California, has proposed that the definition and standard of identity for canned tomatoes (21 CFR 53.40) be amended to provide for the optional use of citric acid in the food by adding to paragraph (a) of the standard a new subparagraph worded:

(—) Citric acid, in a quantity reasonably necessary to compensate for any deficiency of natural acid in the tomatoes so as to facilitate effective processing by heat, but in no case in such an amount that the pH of the finished canned tomatoes is thereby lowered below 4.0.

Notice is also given that the Commissioner of Food and Drugs, on his own initiative, proposes that if the standard of identity for canned tomatoes is amended to make citric acid a permitted optional ingredient then a concurrent amendment of § 53.40 should be made to require that when the optional ingredient citric acid is added the label of the canned tomatoes shall bear the statement "With added citric acid" or "Citric acid added."

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055 as amended 70 Stat. 919; 21 U.S.C. 341, 371), and the authority delegated to the Commissioner of Food and Drugs by the Secretary of Health, Education, and Welfare (22 F.R. 1045, 23 F.R. 9500), all interested persons are invited to present their views in writing regarding the proposals published in this notice. Views and comments should be submitted in quintuplicate, addressed to the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, Health, Education, and Welfare Building, 330 Independence Avenue S.W., Washington 25, D.C., prior to the thirtieth day following the date of publication of this notice in the *Federal Register*.

Dated: July 1, 1959.

[SEAL] GEO. P. LARRICK,
Commissioner of Food and Drugs.

Grades for Canned Carrots

The Agricultural Marketing Service of USDA has amended the U. S. standards for grades of canned carrots so as to liberalize and clarify the requirement with respect to uniformity of size and shape of sliced carrots.

The amendment was published in the *Federal Register* of July 2 and was effective upon publication.

FDA Pesticide Regulations— Exemption from Tolerance

Notice is given in the *Federal Register* of July 3 that the Commissioner of Food and Drugs, on his own initiative, proposes to amend the regulations for tolerances and exemptions from tolerances for pesticide chemicals in or on raw agricultural commodities so as to exempt copper oleate and copper sulfate monohydrate from the requirement of tolerances.

With the amendment proposed by the FDA, section 120.6(b) (1) of the pesticide chemical regulations would read as follows:

§ 120.6 Exemptions from the requirement of a tolerance

(b) * * *

(1) The following copper compounds: Bordeaux mixture, copper acetate, basic copper carbonate (malachite), copper-lime mixtures, copper oleate, copper oxychloride, copper silicate, copper sulfate basic, copper sulfate monohydrate, copper-zinc chromate, cuprous oxide, tetra copper calcium oxychloride.

Interested persons have 30 days in which to file written views and comments on the proposal to the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Ave., S.W., Washington 25, D.C.

1959 Almanac

The 1959 *Almanac* of the Canning, Freezing, and Preserving Industries, 44th annual edition of basic industry references, has been issued.

The new *Almanac* contains the same basic sections—food and drug law and standards, U.S. grades, raw products, packaging, statistics, and buyers guide. Some of the material has been rearranged, as suggested by the industry, for easier reference.

Features not specifically belonging in the basic sections have been grouped in an appendix. With the enlargement of existing data and the addition of new material, the number of pages in the 1959 *Almanac* totals 412, a gain of 40 over last year's book. All of the material is well indexed.

The 1959 *Almanac* may be ordered, at \$3 a copy, from P.O. Box 248, Westminster, Md.

Poultry Used in Processing

Poultry used in canning and other processed foods during the first five months of 1959 totaled 110,578,000 pounds, 3 percent more than the 106,912,000 pounds used during the same period of 1958, according to a report by the Agricultural Marketing Service of USDA.

	Jan.-May 1958	1959 (thousands of pounds)
Young chickens.....	14,224	19,080
Mature chickens.....	68,608	62,997
Turkeys.....	23,957	29,469
Other poultry.....	33	32
Total, Jan.-May.....	106,912	110,578

MSSA Requirements for Canned Figs

Tentative requirements for canned figs from the 1959 pack to meet the needs of the armed services have been announced by the Military Subsistence Supply Agency. Procurement will be made by the Oakland Military Subsistence Market Center, 2155 Webster St., Alameda, Calif.

Estimated requirements are for 1,616,000 pounds of canned figs, extra heavy syrup pack, Grade A, Kadota, Type 1, in No. 2½ cans. This is the equivalent of 35,911 cases.

Vegetable Acreage in Canada

About 10 percent less vegetable acreage has been contracted by processors in Canada for 1959 than for 1958, according to the Dominion Bureau of Statistics. In Quebec, Ontario, Manitoba and Alberta, the total contracted acreage of tomatoes is down 21 percent, beans down 17 percent, peas down 4 percent, and corn down 3 percent. Contracted acreage of asparagus is reported 19 percent above 1958.

Canned Fruits in the U.K.

N.C.A. has received a supply of a statistical summary of imports of canned fruits into the United Kingdom, by months and by country of origin during 1958, with comparisons with 1957. The data cover canned pears, peaches, apricots, pineapple, fruit salad, grapefruit, mandarin oranges, and plum tomatoes. Entitled *Canstatistics*, the booklet is available on request from the N.C.A. Division of Statistics.

Status of Legislation

Agricultural trade development—H. R. 2420 (Poage of Texas), to authorize long-term supply contracts, and other bills to amend and extend P. L. 480 were the subject of public hearings by a House Agriculture Subcommittee April 21-22.

Clayton Act—S. 726 (Sparkman and others), to make all future orders of the FTC self-executing and to provide penalties of \$5,000 daily for violations of consent decrees, was passed by the Senate March 18 and by the House, with amendment, July 6; on July 7 and 8 the Senate concurred in the substance of the House amendment, made technical corrections, and returned the bill to the House for concurrence in the technical corrections.

Consumer expenditures—H. R. 4420 (Zablocki of Wis.), to authorize the FTC to conduct an investigation which would include a determination of what portion of consumer expenditures for food and other farm products is realized by the farmer, the processor, the distributor, and others, has been referred to the House Commerce Committee.

Co-op jurisdiction—H. R. 200 (Mason of Ill.), to transfer jurisdiction over cooperatives' pricing from USDA to the Justice Dept., has been referred to the House Judiciary Committee.

Co-op taxation—The Secretary of the Treasury has submitted a proposed draft of legislation designed to "ensure the ultimate payment of a single tax on cooperative income," but bills embodying the Administration recommendations have not been introduced.

Corporate tax rates—H. R. 7523 was signed by the President June 30 and is P. L. 86-75.

Country Life Commission—Bills providing for the creation of a Country Life Commission, to make broad recommendations on the total development of country life, were considered by the House Family Farms Subcommittee May 6-7.

Crew leader registration—H. R. 5930 (Kearns of Pa.) and S. 1778 (Javits), to provide for registration of crew leaders in interstate agricultural employment (as recommended by the Labor Dept.), have been referred to the Labor Committees. N.C.A. opposes.

Fair trade—H. R. 1253, to amend the Federal Trade Commission Act to authorize proprietors of trade-marked goods to control the resale prices of their distributors, was reported by House Commerce Committee June 9.

S. 1083 (Humphrey and Proxmire), a similar bill, was the subject of hearings by a Senate Commerce Subcommittee June 15-16 and by the full Committee July 10.

FDA artificial coloring—H. R. 7624 (Harris of Ark.), to amend the Food and Drug Act with respect to the use of artificial coloring, has been referred to the House Commerce Committee and S. 2197 (Hill and Goldwater) has been referred to the Senate Labor and Public Welfare Committee.

FDA pesticides—H. R. 6436, to place nematocides, plant regulators, defoliants and desiccants under the Federal Insecticide, Fungicide, and Rodenticide Act and under the pesticide chemicals provision of the Food and Drug Act, was passed by the House July 6.

Federal pre-emption—H. R. 3 (Smith of Va.), to modify the doctrine of federal pre-emption in such a way that a state law would not be nullified by a federal law on the same subject unless the federal law so provided, was passed by the House June 24.

S. 3, a similar bill, was the subject of a hearing by the Senate Judiciary Committee April 21. N.C.A. opposes application to food laws.

Food stamps—A number of bills designed to facilitate distribution of surplus foods to needy families were the subject of hearings by a Senate Agriculture Subcommittee June 4-8. N.C.A. opposes.

Industrial uses—Bills to provide programs of research on industrial uses of agricultural commodities were the subject of public hearings by a House Agriculture Subcommittee Feb. 18-20, March 2-11, and April 21-23.

S. 690, to create an Agricultural Research and Industrial Administration within USDA, was reported by Senate Agriculture Committee April 16.

Intergovernmental relations—H. R. 6904 (Fountain of N.C.), to establish a permanent Advisory Commission on Intergovernmental Relations, was the subject of hearings concluded by a House Government Operations Subcommittee June 19. S. 2026 (Muskie and others) is pending before Senate Government Operations Committee. All bills on this subject have been the subject of joint hearings.

Labor-management practices—S. 1555 (Kennedy-Cooper), to establish safeguards against improper practices in labor organizations and in labor-management relations, was passed by the Senate, with amendments, April 25, and was the subject of public hearings by a House Labor Subcommittee, which is now holding executive sessions.

Marketing of potatoes—S. 17 (Smith of Maine), to prohibit the sale of potatoes of a lower grade than U. S. No. 2, under certain conditions, has been referred to the Senate Agriculture Committee.

Marketing of turkeys—S. 430 (Engle) and H. R. 1344 (Sisk of Calif.), to provide for controls on the marketing of turkeys, have been referred to the Agriculture Committees. N.C.A. opposes application to canning.

Marketing orders and parity—H. R. 642 (Sisk of Calif.), to authorize the Secretary of Agriculture to continue a marketing order in effect even after parity is reached, has been referred to the House Agriculture Committee.

Marketing order regions—H. R. 1070 (Ullman of Calif.), to authorize the issuance of marketing orders on any or all production or marketing areas, rather than on the smallest regional area, has been referred to the House Agriculture Committee.

Premerger notification—The Attorney General has recommended legislation requiring prior notification before corporate mergers and acquisitions where the capital involved is more than \$10 million. S. 442 (O'Mahoney-Kefauver), to require 60 days' notice prior to merger or acquisition of corporations having total book value of \$10 million, was approved by the Senate Antitrust and Monopoly Subcommittee May 7 and was ordered reported, with amendments, to the Judiciary Committee.

Price increases—H. R. 4934 (McGovern of S. D.), to require advance notice and public justification before effectuating price increases in industries so heavily concentrated that monopoly or the threat of monopoly is present, has been referred to the House Judiciary Committee. S. 215 (O'Mahoney), a similar bill, was the subject of public hearings concluded by the Senate Antitrust and Monopoly Subcommittee May 5. N.C.A. opposes.

H. R. 6263 (Reuss of Wis.), including a provision requiring the President to hold public hearings on prospective or actual price or wage increases which "appear to threaten national economic stability," was reported by the House Government Operations Committee June 12. N.C.A. opposes.

Raw product bargaining—H. R. 1793 (Bow of Mich.), to authorize collective bargaining between cooperative associations of producers or handlers and processors or other purchasers, has been referred to the House Judiciary Committee.

Robinson-Patman functional discounts—H. R. 929 (Rogers of Colo.) and H. R. 4530 (Reuss of Wis.) and other bills to require price differentials to wholesalers and retailers according to the character of their selling (not their buying), were the subject of hearings by a House Judiciary Subcommittee June 25-26.

Robinson-Patman good faith defense—H. R. 11 (Patman), to restrict the "good faith" defense against a charge of price discrimination, has been referred to the House Judiciary Committee. S. 11 was approved by the Senate Antitrust and Monopoly Subcommittee May 7 and ordered reported without recommendation, to the Judiciary Committee. N.C.A. opposes.

State taxation—H.R. 7757 (McCulloch of Ohio) and H.J. Res. 431 (Miller of N.Y.), to preclude state taxation of income derived exclusively from interstate commerce, have been referred to the House Judiciary Committee.

S. 2213 (Bush-Keating), S. 2281 (Saltonstall-Scott-Prouty) and S. J. Res. 113 (Sparkman and others) will be the subject of a hearing by the Senate Finance Committee July 21 (see story, page 233).

Unemployment compensation—H.R. 7177 (Mills of Ark.) and H.R. 7178 (Simpson of Pa.), embodying views of the Ways and Means Committee, were introduced May 18.

Wage-Hour—S. 1046 (Kennedy and others), which includes provisions to terminate the 7(b)(3), 7(c), and 13(a)(5) exemptions, and other bills to curtail exemptions and raise the minimum wage were the subject of public hearings by the Senate Labor Subcommittee May 7-June 4. N.C.A. opposes changes in the exemptions.

S. 1085 (McNamara and Clark), to provide minimum wage coverage for hired farm labor employed by large farm enterprises, has been referred to the Senate Labor Committee.

S. 1874 (Stennis), to define the "area of production" by statute and to broaden the application of section 13(a)(10), has been referred to the Senate Labor Committee.

Waste disposal facilities—H. R. 322 (Byrnes of Wis.), to authorize rapid amortization of waste disposal facilities and treatment works, has been referred to the House Ways and Means Committee. N.C.A. supports.

FISHERIES LEGISLATION

Construction differential subsidy—H.R. 5421, to provide a program of assistance to correct inequities in the construction of fishing vessels, was the subject of a hearing by the House Fisheries Subcommittee July 8.

S. 2338 (Engle and Magnuson), a similar bill, was the subject of a hearing by a Senate Fisheries Subcommittee July 9.

S. 2342 (Magnuson-Smathers-Engle), to create a Federal Fishing

Vessel Mortgage Insurance Fund, was introduced July 8.

Fisheries Assistance Act—A number of bills to provide a five-year program of assistance to depressed segments of the fishing industry were the subject of public hearings by a Senate Commerce Subcommittee April 1-2 and concluded by the House Fisheries Subcommittee June 11.

Fishermen's Protective Act—S. 971 (Magnuson), to amend the Fishermen's Protective Act of 1954 to broaden protection of U. S. vessels, has been referred to the Senate Commerce Committee.

Mortgage and loan insurance—S. 555 (Butler) and H. R. 3169 (Garmatz of Md.), to amend the Merchant Marine Act to provide mortgage and loan insurance on the cost of work in U. S. shipyards, have been referred to the Senate Commerce Committee and the House MM&F Committee.

Polluted shellfish—H. R. 1244 (Colmer of Miss.), to prohibit the importation of polluted shellfish, has been

referred to the House Ways and Means Committee and S. 2112 (Jackson and 6 others) has been referred to the Senate Finance Committee.

Salmon conservation—S. 602 (Bartlett-Gruening-Magnuson), to prohibit the importation of salmon taken by nationals of a country that permits gill netting at certain times and places, was the subject of public hearings by a Senate Commerce Subcommittee April 1-2 and May 4-5 and was considered in executive session May 13.

H. R. 4293 (Pelly of Wash.), for the same purpose, was the subject of a hearing by the House Fisheries Subcommittee May 14.

Salmon predator—S. 1264, to extend and expand the program for the eradication of the dogfish shark on the Pacific Coast, was passed by the Senate, with amendment, July 6.

Tuna quotas—H. R. 443 (Utt of Calif.), H. R. 447 (Wilson of Calif.) and H. R. 673 (Utt), to regulate the importation of tuna products, have been referred to the House Ways and Means Committee.

TABLE OF CONTENTS

	PAGE		PAGE
Congress		Marketing	
One-day hearing scheduled by Senate Finance Committee on bills to regulate state taxation of interstate income	233	USDA Plentiful Foods List	233
Status of legislation	235	Procurement	
Consumer Service		MSSA requirements for canned figs	234
N.C.A. home economists attend professional meetings	233	Publication	
Farm Program		1959 Almanac	234
Dry beans for sale by CCC	233	Standards	
Food Regulation		FDA publishes proposal on canned tomato standard	233
FDA pesticide regulations—exemption from tolerance	234	Grades for canned carrots	234
Foreign Trade		Statistics	
Vegetable acreage in Canada	234	Poultry used in processing	234
Canned fruits in the U. K.	234		